AMENDED IN SENATE JUNE 4, 2007 AMENDED IN SENATE APRIL 10, 2007

SENATE BILL

No. 45

Introduced by Senator Perata

December 22, 2006

An act to add Chapter 12.491 (commencing with Section 8879.50) to Division 1 of Title 2 of the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 45, as amended, Perata. Transportation funds: transit system safety.

Existing law, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B in the November 2006 general election, establishes the Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 in the State Treasury. Specified moneys in the fund are required to be deposited in the Transit System Safety, Security, and Disaster Response Account to be made available, upon appropriation by the Legislature, for capital projects that provide increased protection against a security and safety threat, and for capital expenditures to increase the capacity of transit operators to develop disaster response transportation systems.

This bill would establish the application process for *the portion of these bond funds to be made available for* allocations for capital projects from funds appropriated from the Transit System Safety, Security, and Disaster Response Account that provide increased protection against a security and safety threat, which allocations would be made by the Office of Homeland Security to transit operators under 2 different

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formulas. The bill would specify the categories of projects eligible for these funds. The bill would require OHS to report to the Legislature on the projects receiving funding under these provisions. The bill would also provide for allocations by the Office of Emergency Services from funds appropriated from the account for capital expenditures that assist transit operators in developing disaster response transportation systems capable of moving goods, people, and equipment in the aftermath of a disaster.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the 2 following:

- (a) On November 7, 2006, the people of the State of California approved Proposition 1B, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, which authorized the issuance of \$19.925 billion in general obligation bonds to invest in high-priority improvements to the state's transportation system and to finance strategies to improve the state's air quality.
- (b) Among the high-priority programs contained in Proposition 1B is the \$1 billion Transit System Safety, Security and Disaster Response Account, which was created to invest funds for both of the following purposes:
- (1) For capital projects that provide increased protection against security and safety threats on public transit systems.
- (2) For capital expenditures to increase the capacity of transit operators, including waterborne transit operators, to develop disaster response transportation systems that can move people, goods, and emergency personnel and equipment in the aftermath of a disaster.
- (c) According to a 2005 survey, transit operators in California have identified transit-related safety and security infrastructure needs in excess of five hundred million dollars (\$500,000,000). The vast majority of the needs are on large transit systems located in the state's largest metropolitan and urban areas.
- 25 (d) The federal Department of Homeland Security provides 26 limited funding to the state's transit operators for security and 27 safety improvements through the Urban Area Security Initiative

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(UASI) program. A portion of UASI funds is distributed to recipients through the California Office of Homeland Security (OHS).

- (e) Transit operators, including waterborne transit operators, in California are developing disaster response transportation systems capable of moving people, goods, and equipment in the aftermath of a disaster.
- (f) Funds from the Transit System Safety, Security, and Disaster Response Account, created pursuant to subdivision (h) of Section 8879.23 of the Government Code, shall be made available to the state's transit operators in a manner consistent with this act.
- SEC. 2. Chapter 12.491 (commencing with Section 8879.50) is added to Division 1 of Title 2 of the Government Code, to read:

Chapter 12.491. Implementation of the Transit System Safety, Security, and Disaster Response Provisions of the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006

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- 8879.50. (a) (1) Upon appropriation by the Legislature for the purposes of this section, funds from the Transit System Safety, Security, and Disaster Response Account created pursuant to subdivision (h) of Section 8879.23 shall be allocated by the Office of Homeland Security (OHS) for capital projects designed to improve the safety and security of public transit equipment, stations, and facilities.
- (2) Eligible projects include, but are not limited to, the following:
- (A) Construction or renovation projects that are designed to enhance the security of public transit stations, tunnels, elevated structures, or other transit facilities.
 - (B) Explosive device mitigation and remediation equipment.
- (C) Chemical, biological, radiological, and nuclear explosives (CBRNE) search, rescue or response equipment.
 - (D) Interoperable communications equipment.
 - (E) Physical security enhancement equipment.
- (F) The installation of fencing, barriers, gates, or related security enhancements that are designed to improve the physical security of transit stations and facilities.
 - (G) Other security-related projects approved by OHS.

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(b) OHS shall allocate 75 percent of the funds made available for the purposes described in subdivision (a) to eligible transit operators, including rail operators, for projects located in high-threat areas, as determined by risk assessments of large transit systems conducted by the federal Office of Domestic Preparedness, pursuant to federal law that makes federal homeland security funds available to the state for this purpose.

- (c) OHS shall allocate 25 percent of the funds made available for the purposes described in subdivision (a) to all transit operators in California, including rail, bus, and water transit operators, that report to the National Transit Database or the Controller. OHS shall distribute the funds to eligible transit operators for eligible projects based on the formula used in the State and Local Programs section of the Fiscal Year 2006 Department of Homeland Security federal appropriations bill (HR 2360).
- (d) For a fiscal year in which funds are appropriated for the purposes of this section, OHS shall issue a notice of funding availability no later than September 1.
- (e) No later than November 1 of each fiscal year in which the notice in subdivision (d) is issued, eligible applicants may submit project nominations for funding to OHS for its review and consideration. Project nominations shall include all of the following:
- (1) A description of the project, which shall illustrate the physical components of the project, and the security benefit to be achieved by the completion of the project.
- (2) Identification of all nonbond sources of funding committed to the project.
- (3) An estimate of the project's full cost and the proposed schedule for the project's completion.
- (f) (1) No later than the following January 15, OHS shall select eligible projects to receive grants under this section.
- (2) (A) Grants awarded to projects nominated for funding under subdivision (b) shall be awarded based on both of the following priorities:
- (i) Threat-based risk, as determined by the risk assessment conducted pursuant to that subdivision.
 - (ii) Geographic balance.

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(B) Grants awarded to projects nominated for funding under subdivision (c) shall not exceed the project sponsor's share under the formula described in that subdivision.

 (g) On or before the following April 1, OHS shall report to the Legislature on its activities under this chapter. The report shall include a summary of the projects selected for funding during the fiscal year in which grant awards were made, as well as the status of projects selected for funding in prior fiscal years.

8879.51. Upon appropriation by the Legislature for the purposes of this section, and subject to further conditions and criteria as the Legislature may provide, funds from the Transit System Safety, Security, and Disaster Response Account shall be allocated by the Office of Emergency Services (OES) to project applicants for capital expenditures that assist transit operators, including water transit operators, in developing disaster response transportation systems capable of moving goods, people, and equipment in the aftermath of a disaster.